



March 17, 2005

EX PARTE – Via Electronic Filing

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: *Level 3 Petition for Forbearance*, WC Docket No. 03-266
IP-Enabled Services, WC Docket No. 04-36

Dear Ms. Dortch:

Redpoint Ventures urges the Commission to clarify definitively the intercarrier compensation rules that currently apply to IP-enabled traffic between IP end users and end users on the traditional public switched telephone network (“PSTN”).

The current intercarrier compensation system lacks any clarity as it applies to such IP-enabled services. Indeed, after filing hundreds of comments and other submissions in the above-captioned proceedings, the communications industry has demonstrated its complete lack of consensus regarding the scope and application of the current rules. Even parties that appear to have similar strategic interests in the proceedings have announced inconsistent views of the current rules.

As a result, IP-oriented investors like Redpoint Ventures continue to operate amid regulatory and pricing uncertainty, which directly impacts their business decisions and product development cycles. Of course, to the extent the uncertainty hampers IP-enabled service providers, it hurts IP-enabled service consumers as well.

Only the Commission possesses the authority to end the uncertainty, and Level 3’s Petition for Forbearance provides a perfect opportunity to do so. Regardless of the substantive decision it reaches, the Commission must, at a minimum, clearly articulate the intercarrier compensation rules that apply to this traffic. Otherwise, the Commission will relinquish control of this fundamental question, tacitly authorize a vigilante system in which carriers charge and pay whatever they can get away with, and cede ultimate responsibility to the courts, which will eventually articulate various (and probably inconsistent) interpretations of *today’s* rules as providers litigate pricing disputes.

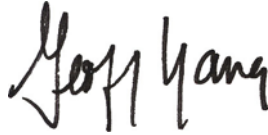
The Commission must recognize the danger that this “alternative” path poses—to the industry, the consumers, and to the authority of the Commission itself. To avoid that

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danger, the Commission must take immediate action in the Level 3 Forbearance docket to clarify the current rules.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Geoff Yang".

Geoffrey Y. Yang
General Partner

A handwritten signature in black ink, appearing to read "Tom Dyal".

R. Thomas Dyal
General Partner